



# Tools To Revitalize California Communities

Lisa M. Harris  
California Debt and Investment  
Advisory Commission

League of California Cities  
Mayors & Council Members  
Executive Forum  
July 26, 2002

# Mission of the California Debt and Investment Advisory Commission....

- "To improve the practice of public finance in California by providing responsive and reliable information, education and advice."

# How does CDIAC meet this mission?

## CDIAC:

- Serves as California's statistical clearinghouse for public debt issuance data
- Publishes a monthly newsletter on topical debt and investment matters (*DEBT LINE*)
- Produces timely and pertinent policy research reports and issue briefs (2002 Election Report)
- Conducts ongoing educational programs for state and local officials
- Responds to public finance-related inquiries



# CDIAC expands its focus to community economic development ....

- Natural adjunct to monitoring the fiscal strength of California communities
- Focusing on the state's infrastructure needs
- Focusing on increasing the expertise in the area of community revitalization
- Meeting the demand in projected population growth

# Tools to Revitalize California Communities

- **Loans and Grants**
- **Equity Financing & Targeted State Investments**
- **Programs offered through debt authorities for specific purposes:**
  - brownfield remediation and redevelopment
  - pollution control financing
  - small business financing
  - affordable housing
  - health facility financing
  - industrial development financing
  - school financing

# Health Care Financing

- Utilized California Health Facilities Financing Authority's (CHFFA's) \$250,000 Help II loan and \$250,000 Community Clinic Investment Act Grant
- Expanded capacity to provide medical and emergency services to Hill Country Community Clinic located in Round Mountain, Shasta County
- Primary source of medical, dental and mental health services for 80% of residents of the rural/frontier service area
- Savings from using low-interest loan will be used to provide health care for low-income or uninsured patients
- Executive Director, Sumi Sousa (916) 653-2799



# Environmental Site Assessment Financing

- Utilized California Pollution Control Financing Authority's (CPCFA's) \$125,000 CalReUse Program Loan
- Loan utilized for environmental site assessment to explore project feasibility of the MacArthur Bart Station Transit Village in Oakland
- Redevelopment of Bart Parking Lot for 400 to 800 new housing units, neighborhood-serving retail, community facilities, pedestrian plaza and expansion of on-site medical center
- Executive Director, Steven Sakarui (916) 654-6510

# Small Business Financing

## ■ CalCap Program:

- Administered by CPCFA, the program offers lenders a mechanism to provide loans to small businesses that may not otherwise be able to get a loan
- CalCap funds a bank's loan loss reserve (the reserve maintained to cover potential loan losses) for small businesses seeking bank loans
- Loans can be used to finance the acquisition of land, construction or renovation of buildings, the purchase of equipment, other capital projects and working capital
- Offers incentive for lenders to loan to borrowers in severely affected communities and economically distressed geographic areas
- Executive Director, Steven Sakarui (916) 654-6510



# Housing Programs

- **Extra Credit Teacher Home Purchase Program:**
  - Administered by the California Debt Limit Allocation Committee, this program qualifies teachers and principals who commit to serve in designated low performing schools for tax credits or reduced interest rate loans to purchase a home
  - Executive Director, Laurie Weir, (916) 653-3255
- **Federal and state tax credits for the construction and rehabilitation of affordable rental housing:**
  - Administered by the California Tax Credit Allocation Committee, this program gives priority to projects in struggling neighborhoods where housing is part of a comprehensive revitalization effort.
  - Executive Director, Jeanne Peterson (916) 654-6340

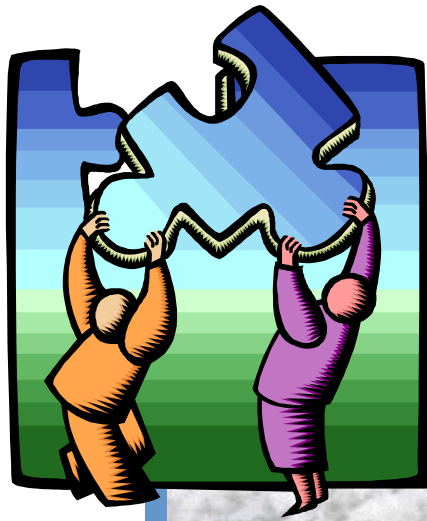
# Investments in California Communities

- Pooled Money Investment Account (PMIA) administered by the State Treasurer's Office
  - PMIA has increased deposits of state funds in California community banks to boost small business and home mortgage lending: \$50 billion portfolio composition
    - Since 1999 participating entities have increased from 35 to 124 and deposits have increased from \$1.9 billion to \$5.2 billion
  - PMIA has invested approximately \$262 million in Small Business Loans in California to stimulate small business lending and creation in California communities.
  - Assistant Director, Investment Division: Dan Dowell (916) 653-3147

# In addition to this conference, where can I learn more about these programs?

- **Join CDIAC for Tools to Revitalize California Communities at:**
  - *The Bond Buyer's* 12th Annual California Public Finance Conference - September 11th (San Francisco)
  - International Economic Development Council's Annual Conference - September 25th (Oakland)





# Tools To Revitalize California Communities

- September 25, 2002, at the International Economic Development Council's Annual Conference in Oakland
- One-day program with 64 speakers highlighting important economic development financing tools from the State Treasurer's Office, and other state and federal agencies
- Topics to be presented include:
  - Business and Job Creation - Bond Financing and Loan Programs
  - Creating Affordable Health Care
  - California Affordable Housing Programs
  - Technical Assistance Programs for Brownfield Sites
  - Private Equity Investment Programs
  - Urban Real Estate Development and Financing Programs

# To learn about future economic development programs....

- Access CDIAC's website at:
  - [www.treasurer.ca.gov/cdiac](http://www.treasurer.ca.gov/cdiac)
- E-mail CDIAC at:
  - [cdiac@treasurer.ca.gov](mailto:cdiac@treasurer.ca.gov)
- Call CDIAC at:
  - (916) 653-3269
- Fax CDIAC at:
  - (916) 654-7440